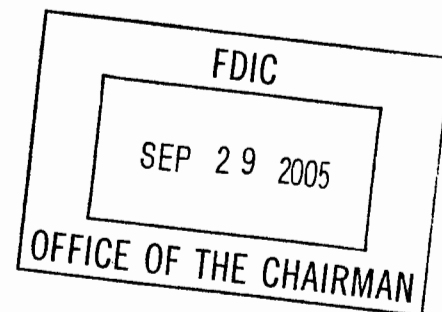


September 21, 2005

Honorable Donald E. Powell
Chairman
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, D.C. 20429

Mr. John F. Carter
Regional Director
Federal Deposit Insurance Corporation
25 Jessie Street at Ecker Square, Ste 2300
San Francisco CA 94105



Re: Comments Regarding FDIC Application #20051977; Wal-Mart Application for Insurance and Industrial Bank Charter

Dear Chairman Powell and Mr. Carter:

I am writing to comment on the Wal-Mart Stores, Inc. application for a Utah industrial loan company charter (ILC) and federal deposit insurance. **I oppose the application and urge the FDIC to deny the application. I encourage the FDIC to conduct a public hearing on the application to allow small business owners and bankers to testify as to the destructive impact of Wal-Mart Bank.**

Despite the narrow business plan proposed by Wal-Mart, the application to establish and ILC presents serious issues regarding the appropriate structure of our national banking system. A bank owned and operated by the world's largest retailer will expose the industry to a dangerous mixing of banking and commerce, distorted credit decisions, unstable economic concentration, superficial banking supervision, overextension of the federal safety net, potential losses to the taxpayer and long term community disinvestment. For these reasons, I urge the FDIC to deny Wal-Mart's application.

Lack of umbrella supervision of the parent and the ILC promotes unsafe banking practices. The economic strength and general welfare of banking system depends upon strong and sound financial institutions that are closely supervised by federal and state regulatory agencies. The parent commercial corporation of an ILC is not subject to the same regulations and restrictions as a financial holding company. This is a substantial flaw.

A financial holding company is subject to "umbrella supervision" by the Federal Reserve. This level of supervision permits the Federal Reserve to continuously inspect the bank as well as the parent holding company. Umbrella supervision assures that the parent corporation has adequate company-wide systems to measure and manage risks across multiple legal entities.

FDIC oversight of ILCs is limited to investigation of the thrift company without supervision of the commercial parent. Thus, there is no regulatory evaluation of company-wide risk management systems and controls.

The continued separation between banking and commerce is critical to the safety and soundness of our financial system, particularly in light of the recent accounting and balance sheet irregularities in the corporate world, such as Enron, WorldCom and Tyco.

For the reasons listed above, I urge the FDIC to deny the Wal-Mart Bank application.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Kaiser", with a stylized, cursive script.

David R. Kaiser
President/CEO
Granite Community Bank, N.A.
4100 Douglas Blvd
Granite Bay CA 95746